



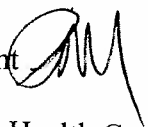
# City of Albuquerque

## Human Resources Department

Martin J. Chávez, Mayor

30 March 2006

**TO:** Bruce J. Perlman, Ph.D., Chief Administrative Officer

**FROM:** Patricia D. Miller, Director, Human Resources Department 

**SUBJECT:** Recommendation of Award: RFP06-011-SV, "Employee Health Care Insurance"

The City of Albuquerque Department of Finance and Administrative Services, Purchasing Division, issued the subject Request for Proposals (RFP) for the Human Resources Department, Insurance and Benefits Division, to solicit Proposals from qualified companies to provide health insurance to City Employees and other participating local government agencies. The bid request was to continue to have two networks. One, which would provide coverage for our employees, enrolled in the Presbyterian network and the other to provide service for the Lovelace network. In addition, the RFP requested that respondents provide pricing for "Pooled" funding and for "Participating" funding. After reviewing the proposals and ensuing discussion regarding the benefits of a pooled network or a participating network, the evaluation committee recommends that both networks utilize the participating funding approach.

The RFP was posted on the Purchasing Web Site and advertised in the local newspapers. Seven RFP's were mailed to interested vendors, and five Proposals were submitted for evaluation.

The ad hoc evaluation committee reviewed, evaluated and scored the responses, in accordance with the evaluation criteria published in the RFP and recommends award of contract to: Presbyterian Insurance Company, a local company, to provide health care insurance for the Presbyterian Network; and CIGNA to provide health care insurance for the Lovelace Network. Both Presbyterian and CIGNA were awarded an additional 50 points for Community Involvement program.

Listed in ranking order are the respondent's composite score and average scores.

Respondents for the Presbyterian Network were:

<u>Offeror</u>	<u>Composite Score</u>	<u>Average Score</u>	<u>Annual Cost</u>
Presbyterian Insurance*	5801	967	\$29,378,317.20
United	5365	894	\$29,077,578.36

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Respondents for the Lovelace Network were:

CIGNA	5610	935	\$22,404,111.12
Lovelace*	5208	868	\$23,042,224.20
Blue Cross Blue Shield	5225	871	\$23,584,668.60

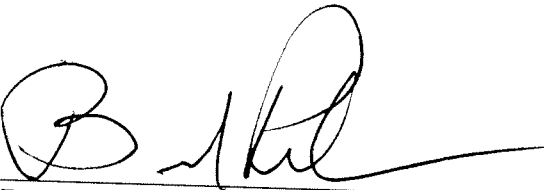
\*Indicates 5% Local Preference. All respondents received an additional 50 points for participation in the "Community Involvement" program.

Fund Source: Insurance Fund/Employee Participation

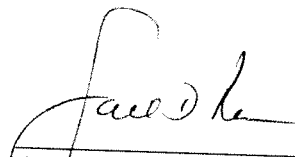
I concur with the ad hoc committee's recommendation. The Department will begin contract negotiations immediately upon your approval.

Per the City Purchases Ordinance, this recommendation does not require City Council approval.

Approved:

  
Bruce J. Perlman, Ph.D. (Date)  
Chief Administrative Officer

Recommended:

 3/31/06  
Gail D. Reese (Date)  
Chief Financial Officer

Attachment: Composite Score Sheet

Original: Sandy Vescovi, Contract Section Supervisor, Purchasing Division, DFAS  
Copy: Patricia Miller, Director, Human Resources Department  
File: RFP06-011-SV

Composite Score:  
PRESBYTERIAN NETWORK  
(PARTICIPATING)  
RFP06-011-SV, "Employee Health Care Insurance"

EVALUATORS	EVALUATION CRITERIA	OFFERORS/CARRIERS		
		EVALUATION FACTORS	PRESBYTERIAN	UNITED
SF	Competitive/Innovative wellness outreach program;	Up to 200	175	180
CG			100	125
GR			150	150
MS			75	100
PL			200	195
JG			175	200
	SUB TOTAL		875	950
SF	Demonstrated ability to provide detailed reports required by the City in the desired frequency;	Up to 200	175	160
CG			180	150
GR			175	200
MS			150	100
PL			200	200
JG			200	200
	SUB TOTAL		1080	1010
SF	Quality/Quantity of health care provider panel and procedures for obtaining care;	Up to 100	90	80
CG			90	100
GR			100	90
MS			100	100
PL			100	100
JG			100	100
	SUB TOTAL		580	570
SF	Major Employer Health Plan with demonstrated ability to provide service and benefits requested by City;	Up to 100	90	85
CG			90	90
GR			100	50
MS			100	75
PL			100	100
JG			100	75
	SUB TOTAL		580	475
SF	Administrative ability/service, customer service, project management and resources offered	Up to 100	90	85
CG			90	90
GR			100	80
MS			100	75
PL			100	100
JG			100	80
	SUB TOTAL		580	510
	TOTAL COMPOSITE TECHNICAL SCORE		3695	3515
SF	Proposed Rate Structure	Up to 300	297	300
CG			297	300
GR			297	300
MS			297	300
PL			297	300
JG			297	300
	SUB TOTAL		1782	1800
	SUB-TOTAL COMPOSITE SCORE		5477	5315
	LOCAL PREFERENCE (1.05)		273.85	0.00
	ADDITIONAL 50 POINTS COMMUNITY INVOLVEMENT		50	50
	TOTAL COMPOSITE SCORE		5801	5365
	TOTAL AVERAGE SCORE		967	894

**Composite Score:**  
**LOVELACE NETWORK**  
(PARTICIPATING)  
RFP06-011-SV, "Employee Health Care Insurance"

EVALUATORS	EVALUATION CRITERIA	OFFERORS/CARRIERS			
		EVALUATION FACTORS	BLUE CROSS BLUE SHIELD	CIGNA	LOVELACE
SF	Competitive/Innovative wellness outreach program;	Up to 200	170	150	175
CG			120	140	150
GR			150	200	180
MS			100	100	100
PL			195	200	200
JG			175	200	170
	<b>SUB TOTAL</b>		<b>910</b>	<b>990</b>	<b>975</b>
SF	Demonstrated ability to provide detailed reports required by the City in the desired frequency;	Up to 200	170	150	175
CG			120	150	100
GR			175	200	100
MS			100	200	50
PL			200	200	195
JG			160	200	120
	<b>SUB TOTAL</b>		<b>925</b>	<b>1100</b>	<b>740</b>
SF	Quality/Quantity of health care provider panel and procedures for obtaining care;	Up to 100	75	70	80
CG			100	100	90
GR			100	90	90
MS			100	100	100
PL			100	100	100
JG			75	100	70
	<b>SUB TOTAL</b>		<b>550</b>	<b>560</b>	<b>530</b>
SF	Major Employer Health Plan with demonstrated ability to provide service and benefits requested by City;	Up to 100	90	80	90
CG			90	85	90
GR			100	100	80
MS			100	100	75
PL			100	100	100
JG			75	100	60
	<b>SUB TOTAL</b>		<b>555</b>	<b>565</b>	<b>495</b>
SF	Administrative ability/service, customer service, project management and resources offered	Up to 100	85	80	90
CG			80	100	90
GR			75	95	25
MS			100	75	50
PL			95	95	85
JG			90	100	80
	<b>SUB TOTAL</b>		<b>525</b>	<b>545</b>	<b>420</b>
	<b>TOTAL COMPOSITE TECHNICAL SCORE</b>				
SF	Proposed Rate Structure	Up to 300	3465	3760	3160
CG			285	300	292
GR			285	300	292
MS			285	300	292
PL			285	300	292
JG			285	300	292
	<b>SUB TOTAL</b>		<b>285</b>	<b>300</b>	<b>292</b>
	<b>SUB-TOTAL COMPOSITE SCORE</b>		<b>5175</b>	<b>5560</b>	<b>4912</b>
	<b>LOCAL PREFERENCE (1.05)</b>		<b>0.00</b>	<b>0.00</b>	<b>245.60</b>
	<b>ADDITIONAL 50 POINTS COMMUNITY INVOLVEMENT</b>		<b>50</b>	<b>50</b>	<b>50</b>
	<b>TOTAL COMPOSITE SCORE</b>		<b>5225</b>	<b>5610</b>	<b>5208</b>
	<b>TOTAL AVERAGE SCORE</b>		<b>871</b>	<b>935</b>	<b>868</b>